



February 27, 2007

## **H.R. 644 – The Brownfields Redevelopment Enhancement Act**

### **Floor Situation**

H.R. 644 is being considered on the floor under suspension of the rules and will require a two-thirds majority vote for passage. This legislation was introduced by Representative Gary Miller (R-CA) on January 23, 2007, and has not been considered by any committee in the 110<sup>th</sup> Congress.

H.R. 644 is expected to be considered on the floor on February 27, 2007.

*\*Note: In the 109<sup>th</sup> Congress, Rep. Gary Miller (CA) introduced similar legislation, The Brownfields Redevelopment Enhancement Act (H.R. 280), which passed in the House of Representatives by voice vote on December 13, 2005. The Senate received the bill but no action was taken.*

### **Summary**

H.R. 644 amends Title I of the Housing and Community Development Act of 1974 (PL 93-383) to include a Brownfields development initiative that allows the Secretary of HUD to make grants to public entities for projects and activities to assist the environmental cleanup and economic development of brownfield sites. The legislation waives the requirement for grant applicants to secure section 108 loan guarantees (See background below) as a prerequisite for grant eligibility.

H.R. 644 authorizes such sums as may be necessary to fund the brownfield development grants for fiscal years 2008 – 2012.

This legislation clarifies that brownfield redevelopment is eligible for Community Development Block Grants (CDBG) by making technical corrections to the Housing and Community Development Act of 1974.

H.R. 644 bars federal grants from being used to reduce the financial responsibility of any private party that is responsible or potentially responsible for contamination on any real property or in any way reduce a private party's liability with respect to such contamination, including liability for removal and remediation costs.

H.R. 644 allows for CDBG funds to be used to administer renewal communities.

**Background**

Brownfields sites are tracts of land where redevelopment is complicated by potential environmental contamination, but are less seriously contaminated than those covered under the Superfund Act (Public Law 96-510).

Both HUD and the Environmental Protection Agency (EPA) currently administer brownfield programs, with the EPA focusing on assessment and cleanup and HUD focusing on redevelopment.

Under current law, HUD grants are only available if they are coupled with HUD Section 108 loan guarantees. These Section 108 loans must be backed and collateralized by the local government applicant's future allocations of HUD CDBG grant allocations. H.R. 644 removes this loan guarantee requirement expanding the availability of HUD brownfield redevelopment grants.

**Cost**

H.R. 644 has not been scored by the Congressional Budget Office.

*\*Note: Similar legislation introduced in the 109<sup>th</sup> Congress, the Brownfields Redevelopment Enhancement Act (H.R. 280), received a cost estimate of \$99 million over 5 years in April of 2005.*

**Staff Contact**

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